11659
Q 35512
P.E. 2-29-92
B
92-2243
10-Q@
92 18 4176
RECD S.E.C.
JUL 2 - 1992
37
SEC MAIL PROCESSING
RECEIVED
JUL 0 2 1992
1086
SECTION

FORM 8

(As revised, effective September 26, 1949)

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT TO APPLICATION OR REPORT

Filed pursuant to Section 12, 13, or 15(d) of THE SECURITIES EXCHANGE ACT OF 1934

API ENTERPRISES, INC.
(Exact name of registrant as specified in charter)

AMENDMENT NO. 1

The undersigned registrant hereby amends the following items, financial statements, exhibits or other portions of its QUARTERLY REPORT (February 29, 1992) on Form 10-Q as set forth in the pages attached hereto:

ITEM 6 - Selected Financial Data

ITEM 7 - Financial Statements and Exhibits

ITEM 8 - Financial Statement and Supplementary Financial Information

PROCESSED BY
JUL 15 1992
12-12=I.
L302

BEST COPY AVAILABLE

Microfilmed by
Q-Data Corp. - St. Petersburg, FL

API ENTERPRISES, INC.

I N D E X

	PAGE NUMBER
ITEM I - FINANCIAL STATEMENTS	
Condensed Balance Sheets as at February 29, 1992, and May 31, 1991	1 & 2
Condensed Statements of Operations for the Three Months Ended February 29, 1992 and February 28, 1991	3
Condensed Statements of Operations for the Six Months Ended February 29, 1992 and February 28, 1991	4
Condensed Statements of Cash Flows for the Six Months Ended February 29, 1992 and February 28, 1991	5
Notes to Financial Statements	6
ITEM II - MANAGEMENT'S DISCUSSION AND ANALYSIS	7 & 8
PART II - OTHER INFORMATION	9
SIGNATURES	10

API ENTERPRISES, INC.
CONDENSED BALANCE SHEETS
AS AT

	FEBRUARY 29, 1992 (unaudited)	MAY 31, 1991
ASSETS		
CURRENT ASSETS		
Prepaid Expenses	$ 3,333	$ 3,500
TOTAL CURRENT ASSETS	3,333	3,500
PROPERTY, PLANT AND EQUIPMENT, Less Accumulated Depreciation of $ -0- at February 29, 1992 and $ -0- at May 31, 1991	24,039	24,039
OTHER ASSETS		
Due from Related Companies	471,929	371,112
Security Deposits	2,525	2,525
TOTAL OTHER ASSETS	474,454	373,637
TOTAL ASSETS	$ 501,826	$ 401,176

See notes to financial statements.

API ENTERPRISES, INC.
CONDENSED BALANCE SHEETS
AS AT

	FEBRUARY 29, 1992 (unaudited)	MAY 31, 1991
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Bank Overdraft	$ 166	$ 2,768
Accrued Expenses Payable	56,719	54,507
Income Taxes Payable	185	65
Notes Payable - Unsecured	38,645	38,645
Due to Officer	688,661	582,357
TOTAL CURRENT LIABILITIES	784,376	678,342
LONG-TERM LIABILITIES		
Due to Related Companies	225,387	225,387
TOTAL LONG TERM LIABILITIES	225,387	225,387
TOTAL LIABILITIES	1,009,763	903,729
SHAREHOLDERS' EQUITY		
Common Stock $.01 par at February 29, 1992 and May 31, 1991 authorized 100,000,000 shares, issued and outstanding 10,377,653 shares at February 29, 1992 and 10,117,653 shares at May 31, 1991	103,677	101,177
Paid-In Capital	2,100,560	2,034,060
Accumulated Defficit	(2,593,505)	(2,519,121)
Less: Treasury Stock (189,600 shares at February 29, 1992 and May 31, 1991)	(118,669)	(118,669)
TOTAL SHAREHOLDERS' EQUITY	(507,937)	(502,553)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 501,826	$ 401,176

See notes to financial statements.

API ENTERPRISES, INC.
CONDENSED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED
(unaudited)

	FEBRUARY 29, 1992	FEBRUARY 28, 1991
OTHER INCOME	$ - 0 -	$ 5,012
	- 0 -	5,012
COST AND EXPENSES		
Selling, Shipping, General and Administrative Expenses	11,964	19,809
Interest Expense	13,010	12,376
	24,974	32,185
(LOSS) FROM CONTINUING OPERATIONS BEFORE OTHER INCOME AND DEDUCTIONS	(24,974)	(27,173)
Gain (Loss) on Sale of Securities	- 0 -	(3,453)
(Loss) on Investment in API Electronics, Inc.	- 0 -	(475,797)
(LOSS) FROM CONTINUING OPERATIONS BEFORE DISCONTINUED OPERATIONS AND EXTRAORDINARY ITEMS	(24,974)	(506,423)
DISCONTINUED OPERATIONS		
Income from Operations of Discontinued Technapower, Inc. and Subsidiaries	- 0 -	514
EXTRAORDINARY ITEMS		
(Loss) on Investment in Icarus, Inc.	- 0 -	(400,000)
Extinguishment of Debt	29	- 0 -
PROVISION FOR INCOME TAXES		
NET LOSS BEFORE MINORITY INTEREST	- 0 -	4,915
MINORITY INTEREST		
NET (LOSS)	($ 24,945)	($900,994)
PER SHARE		
Primary and Fully Diluted		
Net Income per Common and Common Equivalent Share	$ - 0 -	$ - 0 -
Weighted Average Number of Common and Common Equivalent Shares Outstanding	10,178,053	10,117,653
Dividends per Share	$ - 0 -	$ - 0 -

See notes to financial statements.

API ENTERPRISES, INC.
CONDENSED STATEMENTS OF INCOME
FOR THE NINE MONTHS ENDED
(unaudited)

	FEBRUARY 29, 1992	FEBRUARY 28, 1991
OTHER INCOME	$ - 0 -	$ 5,062
	- 0 -	5,062
COST AND EXPENSES		
Selling, Shipping, General and Administrative Expenses	40,355	32,455
Interest Expense	38,392	45,002
	78,747	77,457
(LOSS) FROM CONTINUING OPERATIONS BEFORE OTHER INCOME AND DEDUCTIONS	(78,747)	(72,395)
Gain (Loss) on Sale of Securities	5,250	(79,110)
(Loss) on Investment in API Electronics, Inc.	- 0 -	(475,797)
(LOSS) FROM CONTINUING OPERATIONS BEFORE DISCONTINUED OPERATIONS AND PROVISION FOR INCOME TAXES	(73,497)	(627,302)
DISCONTINUED OPERATIONS		
Loss from Operation of Discontinued Technapower, Inc. and Subsidiaries	- 0 -	(16,671)
Loss on Sale of Burglar Alarm Division	- 0 -	(21,279)
EXTRAORDINARY ITEMS		
(Loss) on Investment in Icarus, Inc. Extinguishment of Debt	- 0 -	(400,000)
PROVISION FOR INCOME TAXES	(887)	1,396
NET LOSS BEFORE MINORITY INTEREST	74,384	(1,066,648)
MINORITY INTEREST		41,918
NET (LOSS)	($ 74,384)	($1,024,730)
PER SHARE		
Primary and Fully Diluted		
Net Income per Common and Common Equivalent Share	$ - 0 -	$ - 0 -
Weighted Average Number of Common and Common Equivalent Shares Outstanding	10,178,053	10,117,653
Dividends per Share	$ - 0 -	$ - 0 -

See notes to financial statements.

API ENTERPRISES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
(unaudited)

	FOR THE NINE MONTHS ENDED FEBRUARY 29, 1992	FOR THE NINE MONTHS ENDED FEBRUARY 28, 1991
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (Loss)	($ 74,384)	($1,024,730)
Adjustment to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:		
Current Amortization of Goodwill	$ - 0 -	$ 6,287
Foreign Currency Translation Adjustment	- 0 -	(2,924)
Loss on Investment in API Electronic, Inc.		475,797
Loss on Icarus, Inc. Debt Extinguishment		400,000
Unrealized Loss on Marketable Securities	- 0 -	3,572
(Gain) Loss on Sale of Marketable Securities	(5,250)	79,110
Minority Interest in Net Loss of Subsidiary	- 0 -	(41,918)
Loss on Sale of Burglar Alarm Division	- 0 -	21,279
Loss on Disposal of Technapower, Inc.	- 0 -	38,610
Change in Assets and Liabilities:		
Decrease in Employee Advances	- 0 -	- 0 -
Decrease in Prepaid Expenses	168	782
Decrease in Accounts Receivable	- 0 -	- 0 -
Increase in Accrued Interest Payable	35,480	- 0 -
Increase in Accounts Payable and Accrued Expenses	2,212	321,801
(Increase) Decrease in Income Taxes Payable	120	(590)
Decrease in Inventory	- 0 -	(48,892)
Decrease in Payroll Taxes Payable	- 0 -	471
Decrease in Accrued Payroll	- 0 -	- 0 -
Increase in Interest on Officers Loans	- 0 -	- 0 -
Increase in Shareholders Loan	139,823	45,487
TOTAL ADJUSTMENTS	172,553	1,298,872
Net Cash Provided by Operating Activities	98,169	274,142
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Marketable Securities	(10,000)	(221,838)
Sale of Marketable Securities	15,250	- 0 -
Purchase of Other Investments	- 0 -	658
Net Cash (Used in) Provided by Investing Activities	5,250	(221,180)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Related Companies	- 0 -	38,795
Payments to Related Companies	(100,817)	(77,500)
Payments from Shareholder	- 0 -	11,148
Net Cash Used in Financing Activities	(100,817)	(27,557)
Net Change in Cash and Cash Equivalents	2,602	25,405
Cash and Cash Equivalents at the Beginning of Year	(2,768)	(23,026)
Cash and Cash Equivalents at the End of Year	($ 166)	$ 2,379

API ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
(unaudited)

1. The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of Management, all adjustments (consisting of only normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months period ended February 29, 1992 are not necessarily indicative of the results that may be expected for the year ended May 31, 1992. For further information refer to the financial statements and footnotes thereto incorporated by reference in the Company's Annual Report on Form 10-K for the year ended May 31, 1991.

Financial Position

The company had operating expenses in excess of revenues resulting in a loss from operations of $24,945 and $74,384 for the three and nine months ended February 29, 1992, respectively. Working capital increased $2,602 due principally from loans made by the Chairman of the Board. During the nine months ended February 29, 1992, the Chairman advanced the Company $139,823.

On January 8, 1992, the Company announced its intent to merge with CECO Filters, Inc. of Conshohocken, PA (CEC.X - Phila. Stock Exchange) in a share exchange transaction which management has valued at $25.5 million dollars. CECO Filters, Inc. is in the pollution control industry and is a manufacturer of industrial air filters.

Initially, API was going to merge CECO into API; however, the transaction was restructured so that CECO would be merged into a wholly-owned subsidiary of API. Prior to merger, the Company will be effecting a one-for-five common stock reverse split. It is expected that one share of the Company's post-reverse split common stock will be exchanged for each existing share of CECO Filters, Inc.

As a first step in this transaction, the Company intends to purchase approximately 24.8% of the issued and the outstanding shares of common stock of CECO from Introtech Investments, Ltd., an Ontario corporation ("Introtech") in a private transaction after the reverse split and prior to the proposed merger. The company intends to exchange one share of the post-reverse split common stock for each share of CECO it will receive in such private transaction.

The reverse split has been recommended by API's Board of Directors for a number of reasons, including to decrease the number of outstanding shares of common stock of API to increase the market price. API must increase the market price for its common stock to meet the newly adopted NASDAQ maintenance standards. Shortly, after the reverse split API intends to effect the merger between a newly formed wholly-owned subsidiary of API and CECO Filters, Inc. ("CECO"). CECO will merge into the subsidiary and thereafter cease to exist. One of the API's primary motivations to effect the merger with CECO is to enable API to meet the total asset and net capital requirements of NASDAQ's new maintenance standards. API views the reverse split and the merger as two separate and distinct transactions.

The Board of Directors has approved and recommended a change of the Company's name from API Enterprises, Inc. to CECO Environmental Corp. The new name of the Company will reflect the nature of the operating business of the Company after its proposed merger with CECO. Management believes that the Company's name should be indicative of its business activities. Because environmental concerns are continuously growing in importance, management of the Company believes that the Company's new name will attract attention to its stock and facilitate the acquisition of goodwill in its business.

Item 5 - Other Materially Important Events

None

Item 6 - Exhibits and Reports on Form 8 - K

(a) Exhibits - There are no exhibits to this report.

(b) Reports on Form 8-K - Six filed with quarter ended February 29, 1992.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

API ENTERPRISES, INC.

Date:

JUN 30 1992

Phillip DeZwirek
Chairman of the Board